

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 DOVER, DELAWARE 19904-2467

STATE OF DELAWARE **DEPARTMENT OF STATE**

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DIVISION OF PROFESSIONAL REGULATION

PUBLIC MEETING MINUTES: DELAWARE REAL ESTATE COMMISSION

MEETING DATE AND TIME: Thursday, March 10, 2011 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, second floor of the Cannon Building

MINUTES APPROVED: April 14, 2011

MEMBERS PRESENT

Vincent M. White, Professional Member, Chairman
Andrew Staton, Professional Member, Vice Chairman
Christopher J. Whitfield, Professional Member, Secretary
Gilbert Emory, Public Member
Denise R. Stokes, Public Member (present from 9:33 a.m. to 12:22 p.m.)
Ricky H. Allamong, Professional Member
James C. Brannon, Jr., Public Member
Michael Harrington, Sr., Professional Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Eileen Heeney, Deputy Attorney General Gayle Melvin, Administrative Specialist III Jessica Williams, Administrative Specialist II

MEMBER ABSENT

Patricia O'Brien, Public Member

ALSO PRESENT

Tim Riale
Denise Tatman, DAR
Crystal Hudson, SCAOR
Tom Burns
Dick Brogan
Dee Hake DeMolen

Andrew Taylor Charlotte Herbert Maigann Westhall Patricia Brown Brenda Chosniak Bruce Plummer Gene Millman Jim Kimbleton

CALL TO ORDER

Mr. White called the meeting to order at 9:03 a.m.

REVIEW OF MINUTES

A motion was made by Mr. Staton, seconded by Mr. Brannon to approve the minutes of the meeting held on February 10, 2011. The motion passed unanimously.

HEARING

<u>Case Nos. 02-49-09; 02-20-10; and 02-29-10 Against Karen S. Kimbleton – Hearing Cancelled, Review of Consent Agreement</u>

The Commission reviewed the consent agreement for Case Nos. 02-49-09, 02-20-10 and 02-29-10 against Karen S. Kimbleton. According to the consent agreement, Ms. Kimbleton's license will be suspended for 9 months beginning on February 23, 2011 and ending on November 23, 2011. On November 23, 2011, Ms. Kimbleton will be issued a salesperson's license provided that she shows proof of having completed a Delaware approved 3 hour continuing education course on the Delaware Landlord Tenant Code and residential property management. This course is in additional to completing the required number of continuing education hours. As a salesperson, Ms. Kimbleton shall work under a broker of record licensed and based at the Re/Max Avenues office or another office of her choice for a term of one year. Before applying to have her broker's license reinstated on a probationary status, Ms. Kimbleton shall take the Delaware law portion of the broker's pre-licensing course and pass the Delaware law portion of the broker's exam. Upon approval of reinstatement of Ms. Kimbleton's broker's license, a commissioner shall be appointed to meet with Ms. Kimbleton during her term of one year probation. The commissioner and Ms. Kimbleton shall meet monthly to discuss office policies and current topics concerning real estate office management. Ms. Kimbleton also agrees to dismiss the appeal of the prior disciplinary action appealed to Superior Court. A motion was made by Mr. Whitfield, seconded by Mr. Staton to accept the consent agreement. The motion passed by majority vote. Mr. Emory voted against the motion. As contact person, Mr. Allamong abstained from the vote.

NEW BUSINESS

Applications for Licensure

A motion was made by Mr. Staton, seconded by Mr. Brannon to ratify the following new salesperson applicants as presented:

Jordan Walsh, Maggio Shields Real Estate, Rehoboth Beach, DE Patricia Biliski, Keller Williams Realty, Christiana, DE Chemai Moore, Keller Williams Realty Central Delaware, Dover, DE

Robert Morris, KLNB, LLC, Towson, MD Arijuana Hitchens, Long & Foster, Bear, DE Carlet Ward, Long & Foster, Bear, DE Jessica Watkins, CB Richard Ellis, Inc., Wilmington, DE Glenn Dail, Lewes Realty, Lewes, DE Karen Nunez, Long & Foster, Bear, DE Deborah Figgs, Long & Foster, Salisbury, MD Cheryl Crowe, Jack Lingo, Inc, Realtor, Rehoboth Beach, DE Jamie Vari, Patterson-Woods, Wilmington, DE Pamela Hanlon, Patterson Schwartz, Hockessin, DE George Becker, Harrington ERA Realty, Dover, DE Andrew Crawford, Beiler-Campbell Realtors, Kennett Square, PA Bernard Desrouleaux, Prudential Fox & Roach, Newark, DE Carol Houck, Patterson Schwartz, Newark, DE James Houghton, Coldwell Banker Preferred, Media, PA Christine Middleton, Metro Referral Associates, Bear, DE Sarah Delligatti, Schneider, Richardson & Davis, Salisbury, MD Jo-Anne Ullrich, Prudential Fox & Roach, Wilmington, DE Jack Handley, Exit Realty "The Tri-State Group", Dover, DE Edward Meere, Coldwell Banker Residential Brokerage, Bethany Beach, DE Patricia McClain, Ocean Atlantic Sotherby's International Realty, Rehoboth Beach, DE Ryan Minnehan, KLNB, Baltimore, MD Tyler Bryan, Delaware Realty, Lewes, DE Gail Rizzo, Lewes Realty, Lewes, DE

The motion passed unanimously.

The application of David Wirth for a non-resident broker's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Harrington to approve this application. The motion passed unanimously.

The application of Brian Edmonds for a non-resident broker's license was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Allamong to approve this application. The motion passed unanimously.

The application of Stephen Janosik, Jr. for a resident broker's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Harrington to approve this application. The motion passed unanimously.

The application of Gail Smith Rador for a resident broker's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Harrington to approve this application. The motion passed unanimously.

The application of Richard Christopher, Jr. for a resident broker's license was reviewed. A motion was made by Mr. Allamong, seconded by Mr. Harrington to approve this application. The motion passed unanimously.

The application of Patricia Brown for a resident salesperson's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Whitfield to approve this application. The motion passed unanimously.

New Office

The application of Jackson Cross Partners, LLC for a new office was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Staton to approve this application. The motion passed unanimously.

The application of Re/Max By The Sea for a new office was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Staton to approve this application. The motion passed by majority vote. Mr. Allamong abstained from the vote.

The application of Location Realty Advisors LLC for a new office was reviewed. The Commission also reviewed a letter from Christopher Cashman requesting to be licensed with two offices. A motion was made by Mr. Harrington, seconded by Mr. Brannon to approve this office pending receipt of a letter from Joseph Fluscht, Jr of Patterson Schwartz indicating the correct name of Location Realty Advisors LLC. The motion passed by majority vote. Mr. Whitfield and Ms. Stokes abstained from the vote.

The application of White Robbins Property Management for a new office was reviewed. The Commission also reviewed a letter from B. Tucker Robbins requesting to be licensed with two offices. A motion was made by Mr. Staton, seconded by Mr. Harrington to approve this application. The motion passed unanimously.

Reinstatement of Licenses

The application of Jere Daum for reinstatement of a resident salesperson's license was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Allamong to approve Mr. Daum for reinstatement. The motion passed unanimously.

The application of Kyung Hee Suh for reinstatement of a resident salesperson's license was reviewed. A motion was made by Mr. Staton, seconded by Mr. Brannon to approve Ms. Suh for reinstatement pending passing the state portion of the exam. The motion passed unanimously.

The application of Marquerite Parker for reinstatement of a non-resident salesperson's license was reviewed. A motion was made by Ms. Stokes, seconded by Mr. Brannon to approve Ms. Parker for reinstatement pending passing the state portion of the exam. Ms. Parker cannot use the continuing education certificates submitted for reinstatement for the 2012 renewal and her record will be flagged for audit for the 2012 renewal. The motion passed unanimously.

Status of Complaints

Complaint No. 02-03-10 - Closed

Complaint No. 02-24-10 – Referred to the Attorney General's Office

Complaint No. 02-27-10 – Referred to the Attorney General's Office

Complaint No. 02-01-11 – Assigned to Mr. Harrington

Complaint No. 02-02-11 – Assigned to Mr. Harrington

Complaint No. 02-03-11 - Assigned to Mr. Whitfield

Education Committee Report

Mr. Riale reported that there was a typo error in the new broker's core course outline. The outline reads Code of Ethics and it should read Ethical Practices in Real Estate.

Mr. Riale reported that the Subcommittee discussing the proposed changes to the continuing education requirements for brokers had met and discussed a separate course for commercial brokers. The Subcommittee recommended that no changes be made to the proposed outline because there is only one broker's license in Delaware. The Education Committee concurred at their March meeting.

Mr. Riale reported that the Subcommittee recommended that a specific group of instructors should initially teach the course "Train the Trainer". All course instructors would be required to take this course which could be used for three elective credits. The Subcommittee felt that it was important that all instructors have the skills to deliver course material.

Mr. Riale reported that the Subcommittee discussing the proposed changes to the continuing education requirements for first time salespersons had completed their task and the Education Committee approved the proposed outline at the March meeting. Ms. DeMolen reported that newly licensed salespersons are not prepared to get into the business. The Subcommittee recommended that newly licensed salespersons would have to complete four modules for a total of 12 credits within their first year of licensure.

A discussion was held regarding confusion of the proposed changes, the time slots of the broker's modules and that there was no time given for public comment. Some Commission members felt that they had acted too quickly and discussed reversing their decision made at the January meeting to approve the broker's core course outline. Public comments were received from Mr. Plummer, Mr. Burns, Mr. Millman, Ms. Tatman and Mr. Brogan. It was discussed that the Commission would like to see the entire package of changes before making a decision. This will be placed on the agenda for discussion at the next meeting as a separate agenda item and not under the Education Committee report. The Commission would also like to see a draft of the proposed changes before the meeting. A motion was made by Mr. Allamong, seconded by Mr. Whitfield to reverse the Commission's decision of approval of the new broker's core course outline that was voted on at the January meeting because of inadequate public notice. The motion passed by majority vote. Mr. Harrington voted against the motion. A motion was made by Mr. Allamong, seconded by Mr. Whitfield to make this a special agenda item so that it is clearly advertised and any licensee that would like to comment can comment and that the whole recommendations be presented as one package to be effective May 1, 2012. The motion passed by majority vote. Mr. Harrington voted against the motion.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

A motion was made by Mr. Whitfield, seconded by Mr. Harrington to approve and deny course providers, instructor applications and student requests as noted in the minutes of the March 3, 2011 meeting of the Real Estate Education Committee with the sections on discussion regarding proposed changes to continuing education requirements for first time salespersons and discussion regarding proposed changes to the continuing education requirements for brokers being tabled. The motion passed unanimously.

Review Resume from Danielle Benson for Appointment to Education Committee to Fill the New Castle County Vacancy

The Commission reviewed the resume for Danielle Benson which was submitted to be considered for appointment to the Education Committee as a New Castle County professional member. A motion was made by Mr. Staton, seconded by Mr. Brannon to appoint Ms. Benson to the Education Committee. The motion passed unanimously.

The Commission took a recess from 10:48 a.m. to 11:03 a.m.

Review of Consent Agreement for Case No. 02-17-07 Against Dawn Daniels

The Commission reviewed the consent agreement for Case No. 02-17-07 against Dawn Daniels. According to the consent agreement, Ms. Daniels' license will be placed on probation for a period of two years, effective the date of the mailing of the signed consent agreement. Ms. Daniels shall be required to pay a fine in the amount of \$2,500.00 which must be paid prior to the end of the probationary period. Prior to the end of the probationary period, Ms. Daniels must submit proof that she has successfully completed twelve hours of approved continuing education credits, including six hours in ethics, three hours in agency and three hours in contracts. These hours are in addition to the continuing education required for licensure renewal. Probation will not terminate except by order of the Commission. A motion was made by Mr. Brannon, seconded by Mr. Whitfield to accept the consent agreement. The motion passed by majority vote. Mr. Staton voted against the motion.

<u>Supreme Court's Decision Affirming the Commission and the Superior Court Decision Regarding John D. Villabona a/k/a J. David Villabona</u>

Commission members received a copy of the Supreme Court's decision affirming the Commission and Superior Court Decision regarding John D. Villabona a/k/a J. David Villabona.

Review of Letter from David Kenton Requesting to be Licensed with Two Offices

The Commission reviewed the letter from David Kenton requesting to be licensed with two companies. A motion was made by Mr. Staton, seconded by Mr. Allamong to allow Mr. Kenton to be licensed with two companies. The motion passed unanimously.

A discussion was held concerning putting a moratorium on allowing licensees to be licensed with two companies. This will be placed on the agenda for discussion at the next meeting.

Review of CMA Language from DAR

Mr. Whitfield reported that at the Joint Sunset Committee's Public Hearing held on February 17, 2011, DAR presented proposed language to be added to the proposed statute revisions regarding competitive market analysis. DAR wanted to add the following sentence to Section 2931: "However, a Licensee shall not perform a CMA for the Mortgagee on a property that is the subject of a signed Agreement of Sale." DAR had presented the proposed language to the Council on Real Estate Appraisers and it was approved by the Council. A discussion was held that this language took the mortgagee rights away and that it could be addressed in the rules and regulations. Public comments were received from Mr. Taylor, Mr. Brogan and Ms. Tatman. A motion was made by Mr. Harrington, seconded by Mr. Brannon to approve the proposed language as presented by DAR. Mr. Harrington, Mr. Brannon and Mr. Staton voted in favor of the motion. The motion did not pass.

OLD BUSINESS

Sign Final Orders from Rule to Show Cause Hearings Held on January 27, 2011

The final orders from the rule to show cause hearings held on January 27, 2011 for Artis Grier, Sarah Yoo, Jean Battaglia, Fernando Ruiz, Gerald Pepper, Hope Hicks, Joseph Walker, Temetris Hollis, Robin Hearn, Michael Brown, Maureen Keenan, Valerie Swiney, Martina Gogova-Ferkova and Edith Lewis were signed by Commission members.

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Mr. Staton asked about the Commission being able to suspend or revoke an office permit if the broker of record's license has been suspended or revoked. This will be put on the agenda for the next Subcommittee to Review Statute Revisions meeting.

Ms. Melvin reminded Commission members that rule to show hearings have been scheduled for March 22, 2011 starting at 9:00 a.m. and that the May Commission meeting has been changed to May 20, 2011.

PUBLIC COMMENT

Ms. Tatman inquired about the scheduling of the combined Subcommittee meeting of the Education Committee. Mr. White and Ms. Williams will schedule a date for the meeting.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, April 14, 2011 at 9:00 a.m.

ADJOURNMENT

A motion was made by Mr. Brannon, seconded by Ms. Stokes to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 12:22 p.m.

Respectfully submitted,

Gayle L. Melvin

Administrative Specialist III